



Natural Resources Conservation Service
375 Jackson Street, Suite 600
St. Paul, MN 55101-1854

70 Years
"A Partner in Conservation Since 1935"

Phone: (651) 602-7900
FAX: (651) 602-7914

Transmitted via Email

June 17, 2005

MINNESOTA BULLETIN NO. 300-5-49

SUBJECT: LTP – GRASSLAND RESERVE PROGRAM (GRP)

ACTION DUE BY: August 5, 2005

Purpose: To distribute the FY-2005 GRP scoring worksheet and provide additional information and guidance about this program.

Expiration Date: September 30, 2005

For 2005 the GRP rules are being implemented through the same interim process previously used. The program remains jointly run and administered by both FSA and NRCS. The Minnesota 2005 scoring and ranking process represents a combination of the national priorities, as published in the interim rule, and the priorities recommended by the state GRP committee. The Minnesota GRP allocation for FY2005 is \$905,000.

This year we are using separate geographic scoring areas to provide better equity in the distribution of approved contracts. Based on county boundaries, all applications will use the same scoring worksheet, but will compete for enrollment within a sub-state geographic region. Placement of applications into regions along with all ranking and tentative approval selection will be done in the State office.

Application Process

The program application forms are available on the NRCS national home page. From the home page, first click on "Programs" then "GRP". The application form (AD-1157) will be completed at sign up. The contract and contract appendix (CCC 920) (for rental agreements) or easement warranty deeds (for easements) will be used when contracts are approved.

Landowners with approved easement offers will be sent a letter of intent to continue by the state office. When that is returned, an appraisal will be ordered. After the appraisal is completed, an offer to purchase will be made to the landowner. Landowners interested in pursuing GRP easements need to be made aware that the appraised land value is strictly based on the agricultural value of the land minus the grazing value. The appraised land value for GRP does not include the recreational value of land. This definition of appraised value has resulted in several low-dollar easement offers and disappointed applicants.

Applications should be made on a FSA farm number basis which may include more than one tract. If a landowner elects to enroll land through an easement offer the application may be separated based on the status or wording of their specific deed(s) or abstract(s).

Determining Estimated Cost

Contracts with rental agreements will use the appropriate county based GRP rental rate, see attached sheet, to determine the contract cost. These rental rates are the same as those used in 2003 and USDA has determined that these rates represent 75% of the land's grazing value. To determine the total cost for a contract with a rental agreement, multiply the GRP Rental Rate (dollars per acre) times the number of eligible acres, times the number of years (10, 15 20 or 30) that the applicant is applying for, to get the total cost for the contract. For rental agreements the acreage will be estimated at the time of sign-up and prior to approval a USDA official measurement will be obtained. This may require the landowner to pay for official measurement service.

For easement applications a separate procedure is used to estimate the cost. Each easement application that is tentatively approved will have a final cost determined by the appraised fair market value minus the grazing value. For easement offers the official acreage will be determined prior to making the appraisal.

Scoring

Attached to this bulletin is the scoring procedure worksheet that will be used for FY 2005 GRP applications. Instructions for making scoring determinations are located both in this bulletin and are included with the scoring sheet. Review and use both pieces of information when scoring applications. All scoring for this sign-up will be conducted in the office using information provided by the applicants and the scoring worksheet references. The GRP scoring worksheet will also be posted on the NRCS web site. Sign-up for the GRP is continuous, however the first scoring period for FY 2005 funds will end July 22nd. Field offices are to score all of the applications on hand at that time and forward them directly to MaryAnn Schreifels in the state office no later than August 5th. Tentative application approvals will be announced by the state office by August 12th. Prior to final approval all tentatively approved applications will have the score they received verified by an in-field review by the District Conservationist.

Eligible Land

The GRP statute provides that eligible land includes privately owned; grasslands, land that contains forbs, shrubland including improved rangeland and pastureland; and land that is located in an area that has been historically dominated by grassland, forbs or shrubland when these lands have the potential to enhance plant and animal biodiversity. Land that is currently cropland could potentially be eligible under this last category if restored to grass. For FY 2005 due to limited funds non grassland acres will not be eligible for enrollment unless those acres are restored to a grassland status at no cost to USDA. If landowners or other conservation partners pay for all restoration costs non-grassland acres are eligible for enrollment. Non-profit organizations are eligible to offer land for GRP providing the land is considered privately owned.

Only those acres in grassland or considered capable of producing forage are eligible for GRP payments. Adjacent or contiguous acres which do not meet this definition (such as open water, non-grazeable wetlands, forestland, pens and corrals) can be enrolled but are not eligible to receive

GRP rental or easement payments. When these areas are enrolled they are also subject to proper land management and conservation planning considerations which could limit their availability for grazing.

Use the following list of definitions to assist with determining if privately owned lands are eligible for enrollment.

Eligible lands include;

Grassland means land on which the vegetation is dominated by grasses, grass-like plants and/or forbs.

Forb means any herbaceous plant other than those in the grass family.

Rangeland means land on which the native vegetation (climax or natural potential) is predominantly grasses, grass like plants, forbs or shrubs suitable for grazing or browsing use. Rangelands include natural grassland, savannas, wet meadows and introduced plant communities managed like rangeland.

Hayland means land in forage production that is managed through an annual mechanical harvesting process. These acres are generally dominated by legumes which may need to be enhanced, with or without cost share assistance, during the life of the agreement or easement.

Shrubland means a type of rangeland dominated by small woody perennial plants.

Wooded Grasslands including Oak Savanna are lands which have a predominant grass under story which currently produce grass forage and scattered or small clumps of woody vegetation.

Cropland is land in annual crop production that is eligible when restored to grassland status without USDA funding assistance.

Ineligible lands include;

Grazed Forestland or woodlots that do not have a predominant under story of grass that currently can be utilized as grass forage.

Other lands which are not currently producing forage, and will not be restored to grassland, or that are not capable of producing forage.

Existing Contracts for land with an EQIP, CRP or WHIP contract

A number of questions have been asked regarding land with an EQIP, CRP, CSP or WHIP contract being offered for GRP. For some programs it makes a difference if a person is submitting an application for an easement or a rental agreement. Generally, if a person is contractually required to maintain grassland through an existing USDA conservation program the land is not eligible for GRP until the contractual obligation ceases to exist. You need to look at the specific program rules

under which the contractual obligation occurred to determine whether the requirement can be terminated in advance of its expiration.

If the contractual obligation is for something other than maintaining grassland is unrelated to maintaining the grassland, and the requirements for enrollment in both programs can be conducted without interference, the GRP application can be accepted and the land enrolled in the program. For example, if an EQIP contract is for structural practices, such as a trough or pipeline or fencing, and there are no requirements associated with maintaining the grassland in the contract, the application is eligible. If there are cost-shared or non cost-shared practices that are associated with maintaining the grass such as prescribed burning or prescribed grazing or pasture management, the application is not eligible until the EQIP contract expires. We will address situations on a case-by-case basis for GRP participants who want to enroll land into GRP that is currently in another USDA conservation program.

Lands Needing Restoration

Restoration or lands requiring restoration are eligible for the program. Due to limited funding, Minnesota will not make GRP funds available to cost share any restoration or enhancement activities (such as seeding, fencing, pipelines, water facilities, etc.) in FY2005. In future years we may develop a cost share docket for the GRP. At that time, FY2005 GRP contracts may be eligible to receive cost share assistance for restoration and enhancement activities.

Conservation Plan Requirements

GRP is a conservation program and all enrolled acres are required to be managed under a conservation plan that insures the protection of the environmental benefits being purchased by USDA. Landowners that are uncomfortable with these criteria may want to exclude some of their grassland from the program, especially if their forage needs conflict with program requirements.

NRCS is responsible to develop a conservation plan on all approved contracts. Contact your Area office to schedule one of the regional grazing specialists for assistance in developing approved plans. GRP plans will have practices 528A, Prescribed Grazing and/or 511, Forage Harvest Management along with 647, Early Successional Habitat Management planned and maintained for the life of the contract or easement. All enrolled acres will require active management such as haying, grazing, and seed harvesting, burning, weed control and other measures to maintain the grass cover.

GRP provisions exclude haying and seed harvesting during the nesting season. Haying and seed harvesting are not allowed to occur from June 1 to August 1. Season long grazing is allowed when conducted according to the approved prescribed grazing plan.

Land enrolled in GRP may not be tilled and reseeded to enhance the cover for any use. Enrolled acres may be renovated or enhanced by interseeding or through a no-till seeding technique which does not invert the soil surface.

This information has been reviewed and concurred with by the FSA State Office and should be shared with your local FSA personnel. Direct any questions on the information in this bulletin to Howard Moechnig, Grazing Specialist or Paul Flynn, SRC.

Distributed with this bulletin are the following 2005 GRP documents;

- 2005 GRP Score Sheet
- 2005 GRP Planning Criteria
- 2005 GRP Fact Sheet with rental rate information
- GRP Application Questionnaire

WILLIAM HUNT
State Conservationist

Attachments

DIST: AC
FO
Greg Anderson, FSA, St. Paul, MN
Mn.Graze
Mike Pageler, Resource Conservationist, NRCS, St. Paul, MN